

## **CLIENT PURCHASES**

All purchases for Vocational Rehabilitation clients are outlined in their Individualized Plan for Employment (IPE). When making those client purchases, certain guidelines must be followed.

This policy contains the guidelines and procedures to be used by all VR staff when making client purchases. It has four sections entitled as follows:

- I. Client Purchases That Do Not Require Bids***
- II. All Other Client Purchases***
- III. Sole Source Purchases***
- IV. Flow Chart***

When reimbursing a client for a purchase - as opposed to paying a vendor - it should be treated the same as any other purchase outlined in this policy.

*Aids, devices and equipment necessary for assessments or evaluations should be rented or leased, whenever possible.*

### **I. CLIENT PURCHASES THAT DO NOT REQUIRE BIDS.**

Bids are not required for certain client purchases regardless of the cost. The purchases exempt from bid requirements are listed below:

1. Tuition for all training courses. This includes vocational training, college and university courses, massage schools, mechanics courses, welding courses, electrician courses etc.;
2. All required items for training courses including books, tools, or other items if the item is purchased in the school's bookstore, or if the school is recommending a specific vendor or vendors to ensure uniformity among the students;

A copy of the syllabus or a letter from the school or instructor recommending the specific vendor or vendors must be in the client's file;

### **Bid Exemptions, continued:**

3. Child Care;
4. Personal Assistants;
5. Rent or Maintenance;
6. Supported Employment and Extended Services;
7. On-the-Job Training;
8. All Medical Services written on a medical authorization;
9. All Medical services written on a regular authorization including, but not limited to, psychiatric, psychological and chemical dependency evaluations;
10. Prescription Aids and Devices described below:

Prescription aids and devices are any prosthetic/orthotic device prescribed by a licensed professional to meet the specific needs of the individual. Examples of prosthetic/orthotic devices can include but are not limited to: hearing aids and other types of sound amplification, artificial limbs, corrective lenses, braces and wheelchairs.

**If the aid or device is medical in nature, the Medicaid fee schedule must be used;**

11. Purchases made from a vendor who is on State contract:

Purchasing from a vendor who is on State contract is optional, not required. When considering such a purchase, always verify that the vendor is currently on contract.

12. Hearing aids are purchased using the payment schedule developed by Vocational Rehabilitation:

## **II. ALL OTHER CLIENT PURCHASES**

*This section includes all client purchases not listed as exempt in Section I.*

### **A. PURCHASES UNDER \$1500**

**Purchases under \$1500 do not require bids.** Counselors are encouraged, however, to get the best price possible for all purchases.

## **All Other Client Purchases, continued**

### **B. PURCHASES BETWEEN \$1501 AND \$2500**

**Purchases between \$1501 and \$2500 require three documented bids.** Bids may be obtained over the phone or in writing and should be placed in the client's file. If the item purchased is not the least expensive item, justification must be based on the clients needs and be documented in the client file.

In order to ensure the client is offered an informed choice, he or she should have some input into which vendors to solicit bids from if possible. In addition, the client is to be allowed an informed choice regarding which vendor he or she would like to purchase from once the bids are received. However, if the client chooses a vendor with a higher price for the same item without just cause for choosing the higher priced item, the client must pay the difference between the lowest priced option and the client's chosen option.

Example 1: If ordering a chair, and the lowest bid does not meet the specifications such as arms on the chair, adjustable height or lumbar support, counselors can justify purchasing the more expensive item.

Example 2: If a counselor receives three bids and one or more of the bids are from a vendor in another city, counselors can consider the cost of shipping and handling, or of sending the client to pick up the item, or other related expenses when determining which item is the least expensive.

Example 3: If a bid comes in higher than the others but offers faster delivery, support services or other benefits to the client, counselors could justify purchasing the higher priced item.

Example 4: If a counselor receives three bids on an item and all three bids meet the minimum specifications for quality, service, and delivery time the purchase should be made from the vendor who submitted the lowest bid. However, if the client chooses to make the purchase from one of the higher priced vendors the client would need to pay the difference between the lowest bid and the price submitted by the vendor they chose.

## **All Other Client Purchases, continued**

### **C. PURCHASES OF \$2501 AND HIGHER**

**For all purchases over \$2500, counselors must get three bids and complete the “Request for Quotes SFN 2708” Form.** (SFN 2708 can be found on Central Purchasing’s website by following the instruction listed on the attached flow chart). The day and time of the bid closing must be documented on the form. In addition, when requesting a bid all vendors, including those contacted by phone, must be notified of the day and time of the bid closing.

Completed form *SFN 2708* must be in the client’s file but does not need to be submitted to any other entity.

When the bids have been received and a decision made regarding which vendor to purchase from, the counselor will authorize for the purchase in the same way as other client purchases are authorized.

### **D. OLDER BLIND CLIENT P-CARD PURCHASES ONLY**

**This section ONLY applies to Vision Specialists using a P-card to make client purchases for the Older Blind Program.**

**P-card purchases for regular 110 VR clients are prohibited even if the client has a visual disability and is receiving services from the Vision Specialist.**

Bid requirements will be based on the total purchase for each individual client, not on the total amount for a single P card order. This means, if a Vision Specialist places an order with Lighthouse that is over \$1500 but the order is for 3 different clients and each client’s total purchase is less than \$1500, the Vision Specialist considers each individual client’s total when determining if bids are necessary.

## **III. SOLE SOURCE PURCHASES**

**If the item being purchased is only available from one vendor, the counselor must complete a “Request for Approval of a Sole Source Purchase,” SFN 51403.** This form does not have to be submitted to anyone, but must be kept in the client’s file. The counselor would then authorize the purchase the same as all other client purchases.

This form is to be used only when there is only one vendor available to provide an item, such as specific software that is only available from the manufacturer and is not sold in retail stores. It is not to be used to avoid the bid process for purchases over \$1500 or over \$2500.

## **IV. FLOW CHART**

A flowchart depicting this purchasing policy is found on the next page.

**VOCATIONAL REHABILITATION PROCUREMENT PROCEDURES  
OVR/OP/EQU 06-01**

**Is this an exempt purchase as listed in the policy?**

Tuition, books or education supplies, child care, personal assistant, rent or maintenance, SEP/Extended services, OJT, medical services, prescription aids/devices, vendors on state contract.

**YES** ⇒

**No bid requirements.** If the aid, device or service is medical in nature, use the Medicaid fee schedule.

**NO** ↓

**Is this a purchase from a vendor on contract with the state of ND?**

(Remember - you do NOT have to purchase off the state contracts, but you may if you/the client wishes to.)

**YES** ⇒

**Verify that the vendor is on contract.** You may make the purchase regardless of the cost. Be sure the vendor is aware you are purchasing from the state contract.

**NO** ↓

**Does this purchase cost \$1-\$1500?**

**YES** ⇒

**No bids required.** However, you are encouraged to get the best price possible.

**NO** ↓

**Does this purchase cost \$1501-\$2500?**

**YES** ⇒

**Minimum of 3 written or oral bids** is required. Keep in client's file. If only 1 vendor is available, you must complete sole source form SFN 51403 and place in client's file.

**NO** ↓

**Does this purchase cost over \$2500?**

**YES** ⇒

**Minimum of 3 written or oral bids** is required. Must **complete the Request for Quote SFN 2708** and place in client's file. If only 1 vendor is available, must complete sole source form SFN 51403 & place in the client's file.

**NO** ↓

**Go back to the beginning of the chart.**

The purchase must fit into one of the above categories.

Although VR is not required to make client purchase from vendors on state contracts, you may still choose to do so if it meets client needs and client informed choice at the best price. Therefore, you may still want to get to State Purchasing's website. Go to the ND home page ([www.state.nd.us](http://www.state.nd.us)), click on 'Agencies', page down and click on "Procurement, Office of". You can then click on "Term Contracts" or "Forms".